



12031 Lake Nicol Road  
Tuscaloosa, AL 35406

205.759.1161

14

February 11, 2008

DOCKET NO. 4-14-08-3

Mr. James Richard Bane  
James R. Bane Investments, LLC  
10738 Albert Sanders Road  
Northport, Alabama 35473

STATE OIL & GAS BOARD  
OF ALABAMA

MAR 31 2008

REG & ENF

Re: Holman 36-02-1086 Well  
Blue Creek Coal Degasification Field

Dear Mr. Bane:

As you are aware, Dominion Black Warrior Basin, Inc.'s parent company recently sold the shares of Dominion Black Warrior Basin, Inc. and other assets in Alabama to LOEWS Corporation. The new entity HighMount Black Warrior Basin LLC became the owner and operator of all of Dominion Black Warrior Basin, Inc.'s assets in Alabama. HighMount Black Warrior Basin LLC has formally requested to be designated as operator for existing Alabama wells with the staff at the Oil and Gas Board.

HighMount Black Warrior Basin LLC, formerly known as Dominion Black Warrior Basin, Inc. is the Operator of the Holman 36-02-1086 Well, Permit No. 14644-C, which is located on an 80-acre unit consisting of the Southwest Quarter of the Southeast Quarter of Section 25 and the Northwest Quarter of the Northeast Quarter of Section 36, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field.

HighMount Black Warrior Basin LLC, formerly known as Dominion Black Warrior Basin, Inc. is seeking approval from the State Oil and Gas Board to reform the 80-acre unit for the referenced well to a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 36 in order to permit and drill an additional well on the adjacent 40-acre unit. The staff at the Oil and Gas Board has requested that we attempt to obtain the consent of the mineral owners in the existing 80-acre unit. Therefore, if you are in agreement for HighMount to reform the referenced 80-acre unit to a 40-acre unit, please sign at the space indicated below and return the original of this letter to me.

Should you have any questions, please do not hesitate to contact me at (205) 454-7346.

Sincerely,

Steven M. Hutchings  
Consulting Landman

STATE OIL AND GAS BOARD	
Exhibit No.	<u>3</u>
Petition By	<u>HighMount</u>
Item No.	<u>14</u>
Date	<u>4/14/08</u>
Testimony Of	<u>Hutchings</u>
Received By	<u>BR</u>

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AS A MINERAL OWNER/LESSOR OF THE ABOVE-DESCRIBED 80-ACRE DRILLING UNIT, I HAVE NO OBJECTION TO THE REFORMING OF THE UNIT TO A 40-ACRE UNIT BY HIGHMOUNT BLACK WARRIOR BASIN LLC FORMERLY KNOWN AS DOMINION BLACK WARRIOR BASIN, INC. AND FURTHER ACKNOWLEDGE, CONFIRM AND RATIFY THE OIL AND GAS LEASE EXECUTED BY ME IN FAVOR OF DOMINION BLACK WARRIOR BASIN, INC..

I UNDERSTAND THAT MY CONSENT WILL BE PRESENTED TO THE BOARD WHEN THIS MATTER IS HEARD.

James R. Bane Investments, LLC



James Richard Bane